

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4 SAM NUNN ATLANTA FEDERAL CENTER 61 FORSYTH STREET ATLANTA GEORGIA 30303-8960

May 13, 2010

Mr. Mark Prescott, Chief Deepwater Ports Standards Division (CG-3PSO-5) United States Coast Guard Headquarters 2100 Second Street, S.W. Washington, DC 20593

Subject: EPA NEPA Review Comments on USCG "Bienville Offshore Energy Terminal" FSEIS; March 2009; Gulf of Mexico; Docket# USCG-2006-24644; CEO# 20100084; ERP# CGD-E02013-AL

Dear Mr. Prescott:

Pursuant to Section 309 of the Clean Air Act (CAA) and Section 102(2)(C) of the National Environmental Policy Act (NEPA), the U.S. Environmental Protection Agency, Region 4 (EPA), has reviewed the U.S. Coast Guard's (USCG) Final Supplemental Environmental Impact Statement (FSEIS) for the Deepwater Port Act (DPA) licensing of the "Bienville Offshore Energy Terminal" (BOET) for receiving and regasifying Liquefied Natural Gas (LNG). We appreciate the opportunity to review and provide comments on the FSEIS and provide the following comments and status of our review.

EPA is a cooperating agency for this FSEIS. Besides application for a DPA license to the USCG and the Maritime Administration (MARAD), TORP Terminal L.P. (Applicant) has applied to EPA for CAA and National Pollutant Discharge Elimination System (NPDES) permits for this proposed offshore LNG port terminal. EPA previously provided written comments on the Draft SEIS (DSEIS) in a letter dated January 4, 2010.

The proposed location of the LNG port terminal is in federal Gulf of Mexico (GOM) waters, 62.6 miles offshore of Fort Morgan, Alabama, in a water depth of about 425 feet. Some 22.7 miles of interconnecting subsea pipeline would be constructed connecting the terminal with the coast; however, trenching/burial by the Minerals Management Service (MMS) would not be required at depths greater than 200 feet. The terminal has an average throughput capacity of 1.2 billion standard cubic feet of natural gas per day (Bscfd) and is designed for a 25-year life cycle.

EPA is pleased to find that the FSEIS continues to identify the closed-loop "AAV-IF" alternative as the Proposed Action (at pp. ES-8, 2-1). Consistent with the DPA, and as discussed in the FSEIS (at pg. 2-53), we understand that MARAD will defer its decision on its NEPA preferred (and selected) alternative as part its Record of

¹ Preliminary to this FSEIS, EPA also provided comments by email on the Interim FSEIS in February 2010.

Decision (ROD). EPA continues to strongly support the selection of the closed-loop alternative or the equivalent. As stated in the DSEIS letter, we do not support any open-loop alternative such as the original "HiLoad-STV" alternative, primarily due to the magnitude of its attendant ichthyoplankton impacts. EPA has no additional substantive comments to offer on the FSEIS.

EPA appreciates the opportunity to review the FSEIS. Moreover, we commend the USCG and MARAD for their coordination with us as a cooperating agency on this proposed terminal, as well as the Applicant's cooperation in offering and selecting a re-engineered closed-loop alternative in the SEIS. Also note that under separate cover and in accordance with the DPA, EPA will be commenting directly to the Secretary of Transportation regarding the permitability of this facility relative to NPDES and CAA regulations.

If you wish to discuss EPA's comments, please contact me at 404/562-9611 (<u>mueller.heinz@epa.gov</u>) or Chris Hoberg of my staff at 404/562-9619 (<u>hoberg.chris@epa.gov</u>).

Sincerely,

Heinz J. Mueller, Chief NEPA Program Office

Office of Policy and Management

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